# GOVERNMENT OF INDIA
# CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
# LOK SABHA

STARRED QUESTION NO:392
ANSWERED ON:09.08.2002
FORWARD CONTRACT REGULATION ACT, 1952
PUSHPDAN SHAMBHUDAN GADHAVI

**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:**

(a) the commodities covered under forward trading;

(b) the number of cases that have come to the notice of the Government for violation of the Forward Contract Regulation Act, 1952 during the last one year; and

(c) the steps taken to punish the violators of the above Act?

## Answer

MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHARAD YADAV)

(a) to (c): A statement is laid on the Table of the House.

STATEMENTREFERRED TO IN PART (a) TO (c) OFREPLYTO LOK SABHASTARREDQUESTION NO. 392 FOR09/08/2002 REGARDING FORWARD CONTRACT REGULATION ACT, 1952

(a) : Forward/futures trading are at present allowed in 42 commodities under different sections of the Forward Contracts (Regulation) Act, 1952. The details of the commodities are at Annexure-I.

(b) & (c): During 1.4.2001 to 31.3.2002, total 31 cases have come to the notice of the Government (Forward Markets Commission) regarding violation of the provisions of Forward Contracts (Regulation) Act, 1952. The investigation in respect of cases regarding violation of the Act is done by the State Police authorities who are empowered to raid/search and seize documents before filing charge sheet in the appropriate judicial court. The State Police authorities associate the Forward Markets Commission for scrutiny of documents and for expert opinion. Since 1991, 882 cases have been registered under the Forward Contracts (Regulations)Act, of which 575 cases have been dropped after investigation, in 18 cases Departmental action taken, prosecution suggested for 289 cases. Out of 289 cases, in 36 cases conviction followed, acquittal noticed in 21 cases and remaining 232 cases are pending.

ANNEXURE-I

STATEMENT REFERRED TO IN PART (a) OF REPLY TO LOK SABHA STARRED QUESTION NO. 392 FOR 09/08/2002

COMMODITIES WHICH ARE PERMITTED FOR FUTURES TRADING UNDER SECTION 15 OF THE FORWARD CONTRACTS(REGULATION ) ACT, 1952.

| Sl. No | COMMODITY | REGION |
|---|---|---|
| 1 | Groundnut | Entire Country |
| 2 | Groundnut Oil | Entire Country |
| 3 | Groundnut Oilcake | Entire Country |
| 4 | Cottonseed | Entire Country |
| 5 | Cottonseed Oil | Entire Country |
| 6 | Cottonseed Oilcake | Entire Country |
| 7 | Sesamum (Til or Jiljilli) | Entire Country |
| 8 | Sesamum Oil | Entire Country |
| 9 | Sesamum Oilcake | Entire Country |
| 10 | Copra/Coconut | Entire Country |
| 11 | Copra Oil/Coconut Oil | Entire Country |
| 12 | Copra Oilcake/Coconut Oilcake | Entire Country |
| 13 | Safflower | Entire Country |
| 14 | Safflower Oil | Entire Country |
| 15 | Safflower Oilcake | Entire Country |
| 16 | Rapeseed/Mustardseed | Entire Country |
| 17 | Rapeseed Oil/Mustard Oil | Entire Country |

| | | |
|---|---|---|
| 18 | Rapeseed Oilcake/ Mustardseed Oilcake | Entire Country |
| 19 | Rice Bran | Entire Country |
| 20 | Rice Bran Oil | Entire Country |
| 21 | Rice Bran Oilcake | Entire Country |
| 22 | Sunflower Seed | Entire Country |
| 23 | Sunflower Oil | Entire Country |
| 24 | Sunflower Oilcake | Entire Country |
| 25 | RBD Palmolein | Entire Country |
| 26 | Indian Cotton (Full pressed, half pressed or loose | Entire Country |
| 27 | Kapas | Entire Country |
| 28 | Staple Fibre Yarn | Entire Country |
| 29 | Raw Jute | The States of WB, Bihar, Assam, Meghalaya, Orissa, Tripura, Arunachal Pradesh & Mizoram. |
| 30 | Jute goods (Hessian and Sackings and cloth and/or bags, twines and/ or yarns manufactured by any of the mills and/ or any other manufacturers of whatever nature made from jute). | Entire Country |
| 31 | Turmeric | Entire Country |
| 32 | Pepper | In the States of Kerala and within the limits of Greater Bombay |
| 33 | Gur | Entire Country |
| 34 | Castorseed | Entire Country |
| 35 | Castor oil | In the State of 1 Maharashtra |
| 36 | Potato | Entire Country |
| 37 | Soyabean | Entire Country |
| 38 | Soya oil | Entire Country |
| 39 | Soya cake | Entire Country |
| 40 | Sugar | Entire Country |

Commodities which are permitted for Futures Trading under section- 14 of the Forward Contracts (Regulation) Act, 1952.

| | | |
|---|---|---|
| 1 | Coffee | Entire Country |
| 2 | Tea | Entire Country |